



U.S. Department of Justice

United States Trustee, Region 10
Central & Southern Districts of Illinois
Northern & Southern Districts of Indiana

555 One Michiana Square Bldg.
100 East Wayne Street
South Bend, Indiana 46601

574/236-8105
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Office of the United States Trustee - Region 10 South Bend, Indiana

Monthly Report for Debtors-in-Possession and Chapter 11 Trustees

Each month all Chapter 11 debtors must file two copies of this report with the Bankruptcy Clerk. The report must be filed with the attached reports identified below, ready for distribution to the U.S. Trustee no later than the 15th day of the month following the end of the calendar month covered by this report.

Debtor Name: New Schoonebeek Dairy LLC For the month ended: Jan 2010

Case Number: 09-34327 Date Bankruptcy filed: Sept 8 2009

Required Documents:	Attached	Previously Submitted
1. Monthly Income Statement (P&L)	<u>X</u>	_____
2. Monthly Cash Flow Report (CF; 3 pages)	<u>X</u>	_____
3. Statement of Operations	<u>X</u>	_____
4. Other reports/documents as required by the U.S. Trustee	<u>X</u>	_____

The undersigned certifies under penalty of perjury that the information contained in this and accompanying reports is complete, true and correct to the best of my knowledge, information, and belief.

By Harry Behel Dated: 2-15-2010

Owner (Title) Debtor's telephone number 260-571-3940

Reports prepared by: laura (accountant) + Owner (Harry Behel)
(Name) (Title)

6. List payments made to principals, executives, or insiders (this includes draws or cash withdrawals by individuals or partners, dividends, lease payments on property owned by insider, loans, gross salaries, etc.)

<u>Payee Name</u>	<u>Position</u>	<u>Amount</u>	<u>Explanation</u>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>

7. Schedule of insurance coverage.

<u>Type of Policy</u>	<u>Expiration Date</u>
Workers Comp. and Employers liability	2/25/2010 to 2/25-2011
Rest Same from	Same from
last months.	before.

Has any insurance coverage either been reduced or allowed to lapse during this month? If so, explain what changes have taken place.

No.

If any insurance coverage will expire within 60 days from this report, explain what steps are being taken to renew existing policies or to acquire new insurance coverage. Provide the United States Trustee with a new certificate.

8. Schedule of changes in personnel.

	<u>Full Time</u>	<u>Part Time</u>
a. Total number of employees at beginning of this period.	<u>21</u>	<u>1</u>
b. Number hired during this period.	<u>5</u>	<u>—</u>
c. Number terminated or resigned.	<u>2</u>	<u>—</u>
d. Total number of employees on payroll at the end of this period.	<u>20</u>	<u>1</u>

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OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended January 2010

Debtor Name

New Schonebeck Dairy, LLC

Case Number

Reconciled bank balance and cash on hand from last month
(If this is the first report, insert the cash balance as of the
petition date.)

(37294)

CASH RECEIPTS

from cash sales/receipts	<u>622,438</u>
from collection of pre-petition receivables	_____
from collection of post-petition receivables	_____
from loans	_____
from contributions to capital or from gifts	_____
other receipts (itemize on a separate sheet)	_____
TOTAL RECEIPTS (Do not include beginning bank balance)	<u>622,438</u>

CASH DISBURSEMENTS

✓	Inventory purchases	<u>50406</u>
*	net payments to officers/owners	<u>5000</u>
*	net payments to other employees	<u>58,461</u>
	rent payments	<u>50000</u>
	lease payments	_____
	mortgage or note payments	<u>44400</u>
	adequate protection payments	_____
	insurance	_____
	utilities/telephone	<u>5793</u>
**	tax payments	<u>7209</u>
	supplies	<u>5127</u>
	outside labor	_____
	travel/entertainment	_____
***	payments to attorneys	_____
***	payments to accountants	<u>1750</u>
***	payments to other professionals	_____
	U.S. Trustee Quarterly Fee	_____
	other expenses (itemize on separate sheet)	<u>357,694</u>
	TOTAL DISBURSEMENTS	<u>585834</u>

NET CASH FLOW (Total Receipts minus Total Disbursements)

Bank Balance and cash on hand at the end of the month
(beginning balance + cash receipts - cash disbursements)

- * This figure is the actual cash paid. i.e. gross payroll
less taxes withheld
- ** This figure comes from page 2 of this form
- *** Attach a copy of the court order authorizing such payments

585834
36,604
(1690)

New Schoonebeek Dairy, LLC
Monthly Cash Flow Report - Detail of Other Expenses

Other Expenses:

Animal health	46,235
Bank charges	1,631
Bedding	7,393
Breeding	3,160
Custom hire	5,683
Feed	229,054
Fuel	15,005
Milk hauling	8,795
Interest	11,865
Marketing	13,301
Misc	25
Repairs	15,547
\$	357,694

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OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended January 2010

STATUS OF TAXES

	BEGINNING TAX LIABILITY	AMOUNT WITHHELD OR ACCURED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
**Withholding	329.00	101.00	329.00	101.00
**FICA-employee	2230.94	2027.70	2230.94	2027.70
**FICA-employer	2230.94	2027.70	2230.94	2027.70
unemployment				
income				
other - list				
a. Subtotal	4790.88	4216.40	4790.88	4216.40
STATE AND LOCAL				
withholding	4384.40	1524.74	2418.40	3490.74
sales				
excise				
unemployment				
other				
real property				
personal property				
other - list				
b. Subtotal	4384.40	1524.74	2418.40	3490.74
TOTAL TAXES PAID - from a. & b. above			7209.34	
(this sum is to be listed on page 1, as tax payments)				
Explain the reason for any past due post-petition taxes:				

**Attach photocopies of IRS Form 6123 of your
FTD coupon and payment receipt to verify
payments or deposits.

*the beginning tax liability should
represent the liability from the prior month
or, if this is the first operating report,
this should be zero

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OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY INCOME STATEMENT

As of January 2010

Debtor Name New Schoonebeek Dairy, LLC

Case Number _____

	CURRENT MONTH	YEAR TO DATE
<u>INCOME</u>		
Gross Receipts or Sales	<u>622,438</u>	<u>622,438</u>
less: returns or allowances		
Cost of Goods		
Beginning Inventory		
Purchases		
Other Costs (list)		
less: ending inventory		
Cost of Goods Sold		
Gross Profit		
Interest		
Rents		
Gain (Loss) from sale of property		
Other Income	<u>622,438</u>	<u>622,438</u>
Total Income		

GENERAL AND ADMINISTRATIVE EXPENSES

Compensation of Officers	<u>104,202</u>	<u>104,202</u>
Salaries & Wages	<u>15,547</u>	<u>15,547</u>
Repairs & Maintenance	<u>5127</u>	<u>5127</u>
Supplies		
Bad Debts	<u>50,000</u>	<u>50,000</u>
Rents		
Payroll Taxes		
Other Taxes	<u>11,865</u>	<u>11,865</u>
Interest Expense	<u>105,500</u>	<u>105,500</u>
Depreciation		
Insurance		
Travel & Entertainment	<u>5793</u>	<u>5793</u>
Utilities & Telephone	<u>1750</u>	<u>1750</u>
Professional & Legal	<u>330,282</u>	<u>330,282</u>
Other Expenses (Attach Schedule)	<u>590,016</u>	<u>590,016</u>
Total Expenses	<u>32,372</u>	<u>32,372</u>
Net Profit (Loss)		

New Schoonebeek Dairy, LLC
Monthly Income Statement - Detail of Other Expenses

<u>Other Expenses:</u>	<u>January</u>
Animal Health	46,235
Bank charges	1,631
Bedding	7,393
Breeding	3,160
Custom Hire	5,683
Feed	229,054
Fuel	15,005
Milk Hauling	8,795
Marketing	13,301
Misc	25
	<u>\$ 330,282</u>

PRELIMINARY

NEW SCHOONEBEEK DAIRY, LLC

**FINANCIAL INFORMATION
JANUARY 31, 2010**

NEW SCHOONEBEEK DAIRY, LLC

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(FAX)

NEW SCHOONEBEEK DAIRY, LLC**PRELIMINARY****BALANCE SHEET
JANUARY 31, 2010****ASSETS****CURRENT ASSETS:**

Commodity receivables

\$ 102,053

Other receivables

28,818

Inventory

179,587

TOTAL CURRENT ASSETS310,458**PROPERTY AND EQUIPMENT - AT COST:**

Buildings

13,495

Land improvements

160,843

Machinery and equipment

1,110,872

Dairy livestock

3,075,392**TOTAL PROPERTY AND EQUIPMENT - AT COST**

4,360,602

Accumulated depreciation

(632,930)**TOTAL PROPERTY AND EQUIPMENT - AT COST**3,727,672**OTHER ASSETS:**

Investments in cooperatives - net of reserve

196,071

Loan fees - net of amortization

4,856**TOTAL OTHER ASSETS**

200,927

TOTAL ASSETS\$ 4,239,057

(Continued)

See Accountant's Compilation Report.

PRELIMINARY

NEW SCHOONEBEEK DAIRY, LLC

**BALANCE SHEET
JANUARY 31, 2010**

<u>LIABILITIES AND MEMBER'S EQUITY (DEFICIT)</u>	
LIABILITIES NOT SUBJECT TO COMPROMISE	
Current liabilities	
Bank float	\$ 690
Accrued payroll taxes and wages	47,783
Accounts payable	139,616
Notes payable - Rabo AgriFinance	2,812,867
Current portion of deferred revenue	108,000
TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE	<u>3,108,956</u>
LIABILITIES SUBJECT TO COMPROMISE	
Current liabilities	
Accounts payable	434,632
Forage payable	690,981
Accrued interest	37,740
Accrued expenses	873,000
Total current liabilities	<u>2,036,353</u>
Subordinated debt	554,478
TOTAL LIABILITIES SUBJECT TO COMPROMISE	<u>2,590,831</u>
DEFERRED REVENUE	35,058
TOTAL LIABILITIES	<u>5,734,845</u>
MEMBER'S EQUITY (DEFICIT)	(1,495,788)
TOTAL LIABILITIES AND MEMBER'S EQUITY (DEFICIT)	<u>\$ 4,239,057</u>

See Accountant's Compilation Report.

NEW SCHOONEBEEK DAIRY, LLC

PRELIMINARY

**STATEMENT OF INCOME
FOR THE ONE MONTH ENDED JANUARY 31, 2010**

REVENUE FROM OPERATIONS:

Milk	\$ 514,203
Cull cow revenue	19,915
Other income	28,000

TOTAL REVENUE FROM OPERATIONS 562,118

OPERATING COSTS AND EXPENSES:

Amortization	500
Animal health	45,485
Bank charges	1,631
Bedding	6,378
Breeding	4,900
Cull cow expense	52,651
Custom hire	5,935
Depreciation	18,000
Feed	290,536
Fuel	15,005
Hauling and trucking	8,227
Interest	15,378
Wages, contract labor, benefits and taxes	73,292
Marketing	9,154
Miscellaneous	25
Professional fees	1,750
Repairs and maintenance	19,068
Rent	51,014
Supplies	5,686
Utilities	5,793

TOTAL OPERATING COSTS AND EXPENSES 630,408

INCOME (LOSS) FROM OPERATIONS (68,290)

OTHER INCOME (EXPENSE):

Legal and accounting fees	(6,500)
Gain on sale - leaseback	9,000

TOTAL OTHER INCOME (EXPENSE) 2,500

NET INCOME (LOSS) \$ (65,790)

See Accountant's Compilation Report.

PRELIMINARY

NEW SCHOONEBEEK DAIRY, LLC

**STATEMENT OF CHANGES IN MEMBER'S EQUITY (DEFICIT)
FOR THE ONE MONTH ENDED JANUARY 31, 2010**

MEMBER'S EQUITY (DEFICIT), BEGINNING OF THE PERIOD	\$ (1,424,998)
Net income (loss)	(65,790)
Member's withdrawals	(5,000)
MEMBER'S EQUITY (DEFICIT), END OF THE PERIOD	<u>\$ (1,495,788)</u>

PRELIMINARY

SUPPLEMENTARY INFORMATION

NEW SCHOONBEEK DAIRY, LLC

PRELIMINARY

**SCHEDULE OF FEED INVENTORY
FOR THE ONE MONTH ENDED JANUARY 31, 2010**

	<u>Beginning Balance</u>	<u>Feed Delivered</u>	<u>Feed Used</u>	<u>Shrink</u>	<u>Balance at 1/31/2010</u>
Corn Silage 2008					
Tons	2,750	-	-	-	2,750
Amount/ton	\$ 44.31	\$ -	\$ -	\$ -	\$ 44.31
Total Dollars	\$ 121,856	\$ -	\$ -	\$ -	\$ 121,856
Haylage 2nd cutting 2009					
Tons	863	-	310	16	537
Amount/ton	\$ 55.40	\$ -	\$ 55.40	\$ 55.40	\$ 55.40
Total Dollars	\$ 47,811	\$ -	\$ 17,174	\$ 886	\$ 29,751
Haylage 3rd cutting 2009					
Tons	1,005	-	310	16	679
Amount/ton	\$ 41.21	\$ -	\$ 41.21	\$ 41.21	\$ 41.21
Total Dollars	\$ 41,413	\$ -	\$ 12,774	\$ 659	\$ 27,980
Totals	\$ 211,080	\$ -	\$ 29,948	\$ 1,545	\$ 179,587
Summary of Forages Used:					
Haylage 2009			<u>Used</u>	<u>Shrink</u>	<u>Total</u>
			\$ 29,948	\$ 1,545	\$ 31,493
			<u>\$ 29,948</u>	<u>\$ 1,545</u>	<u>\$ 31,493</u>

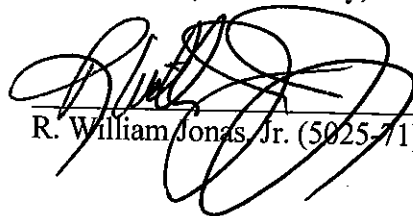
Certificate of Service

The undersigned hereby certifies that a true and correct copy of the foregoing document was sent to:

Nancy J. Gargula
One Michiana Square Building
Suite 555
100 East Wayne Street
South Bend, IN 46601-2349

Alex Edgar
100 E Wayne Street
One Michiana Square
RM 555
South Bend, IN 46601

by first-class mail, postage fully prepaid on this the 16th day of February, 2010.



R. William Jones, Jr. (5025-71)